

**CONNECTICUT****TESTIMONY OF
NATIONAL FEDERATION OF INDEPENDENT BUSINESS (NFIB)
BY****ANDY MARKOWSKI, CONNECTICUT STATE DIRECTOR
SUPPORTING****HB-5449, AN ACT PERMITTING STATE RESIDENTS TO PURCHASE HEALTH INSURANCE
FROM FOREIGN INSURERS
BEFORE THE
INSURANCE & REAL ESTATE COMMITTEE
FEBRUARY 8, 2011**

A non-profit, non-partisan organization founded in 1943, NFIB is Connecticut's and the nation's leading small-business association. In Connecticut, NFIB represents thousands of members and their employees and membership is scattered across the state and ranges from sophisticated high technology enterprises to single-person "Mom & Pop" shops that operate in traditional ways. NFIB's mission is "To promote and protect the right of its members to own, operate, and grow their businesses." On behalf of those small- and independent- job-providers in Connecticut, I offer the following comments:

NFIB/Connecticut supports this bill, which can potentially help lower the cost of health insurance for small businesses in Connecticut. Though each small business is distinct and makes its own unique contribution to Connecticut's economy, there is one thing all small-business owners have in common: A serious concern about affordability of health insurance. HB-5449 is seemingly a step in the right direction to help alleviate some of those pressures faced by small business owners by allowing for the purchase of insurance across state lines. NFIB/Connecticut cautions, however, that there is no "smoking gun" solution to the health insurance problem and that in order for small businesses to realize true cost savings through interstate purchase, they must be able to access markets well outside of the New England region.

NFIB/Connecticut will continue to advocate for policies that makes healthcare more affordable for small business owners and their employees. In doing so, our top three priorities are addressing costs, choice and competition. Specifically, small businesses need lower prices, an easier way to shop for insurance and more choices when buying insurance plans. NFIB/Connecticut is encouraged by legislation such as HB-5449 which will help provide purchasing opportunities for small business owners – in order to try to encourage competition and choice as much as possible. NFIB/Connecticut supports market-based pooling arrangements. Market-based pooling arrangements achieve greater purchasing clout, spread risk, and lower administrative costs. This leads to increased affordability and choices for the purchase of private health insurance for business owners and their employees across state lines.

Thank you for the opportunity to comment, and NFIB/Connecticut urges passage of the bill, with possible modifications.